



Department of  
**Environment &  
Conservation**



**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
TENNESSEE STATE PARKS**

**COMMERCIAL USE AUTHORIZATION APPLICATION INSTRUCTIONS  
ATTACHMENT B: CUA INSURANCE REQUIREMENTS**

Commercial General Liability (CGL) Insurance

Liability insurance is required for all holders under the terms of the authorization. Such insurance must be of sufficient scope to cover all potential risks and in an amount to cover claims that can reasonably be expected in the event of serious injury or death. Holders must provide proof of general liability insurance covering the commercial park activity(ies) in the amount of \$1 million per occurrence, with the State of Tennessee named as an additional insured. The business or person that is providing the service must be the named insured (policy holder). Applicants must consult with their own insurance brokers and secure insurance policies sufficient in scope to cover the potential risks of their unique business operation.

Automobile Liability Insurance

If a holder transports passengers or uses a vehicle in the performance of its commercial park activity(ies) in the park, the holder must have commercial automobile liability insurance in addition to commercial general liability insurance. The commercial automobile liability insurance must include coverage of leased, rented, or hired vehicles if the holder rents or leases vehicles. The minimum commercial automobile liability insurance is reflected in the following table:

| <b>Commercial Automobile Liability Insurance<br/>(bodily injury and property damage)</b> | <b>Minimum per Occurrence Liability Limits</b> |
|--|--|
| Up to 6 passengers   | \$1,000,000.00                                 |
| 7 - 15 passengers  | \$1,500,000.00                                 |
| 16 - 25 passengers   | \$3,000,000.00                                 |
| 25+ passengers   | \$5,000,000.00                                 |

Commercial automobile insurance must provide:

1. Liability insurance, which includes coverage for bodily injury, property damage, uninsured motorists, and underinsured motorists;
2. Physical damage insurance, which includes collision insurance; and
3. Other coverage, which includes medical payments, towing and labor, rental reimbursement, and auto loan coverage.

Taxis that do not provide tour services are only required to have standard automobile liability insurance.

Protection & Indemnity (P&I) Vessel Insurance

Holders authorized to transport passengers aboard or use a motor vessel in the park are required to have P&I vessel insurance to cover claims for bodily injury, death, and property damage arising from the use of the vessel in the minimum amount of \$500,000 per occurrence. Holders must also purchase commercial general liability insurance as outlined above in addition to the P&I vessel insurance to cover additionally authorized services. P&I vessel insurance covers passengers only while onboard the vessel. When passengers step ashore, they are not covered by the P&I vessel policy.

Insurance Company Minimum Standards

The State of Tennessee has established the following minimum insurance-company requirements. All insurance companies must meet the following minimum standards. These standards apply to foreign and domestic insurance companies.

## **TDEC TSP COMMERCIAL USE AUTHORIZATION INSTRUCTIONS, ATTACHMENT B: CUA INSURANCE REQUIREMENTS**

1. All insurers for all coverages must be rated no lower than A by the most recent edition of Best's Key Rating Guide (Property-Casualty edition), or similar insurance rating companies (Moody's, Standard and Poor's, or Fitch), unless otherwise authorized by the Department.
2. The insurance rating must be submitted with the application. The rating companies do not issue certificates. Therefore, the insurance broker must note this rating in the holder's certificate or provide it in another document.

### Proof of Insurance Submission

Applicants must submit proof of required insurance with the application.